

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 627

BY WAYS AND MEANS COMMITTEE

AN ACT

RELATING TO DEEDS OF TRUST AND MONEY JUDGMENTS; AMENDING SECTION 45-1512, IDAHO CODE, TO PROVIDE THAT CERTAIN PROVISIONS OF LAW SHALL APPLY TO DEBTS, NOTES, BONDS OR OTHER OBLIGATIONS RELATING TO CERTAIN DEEDS OF TRUST OR MORTGAGES.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 45-1512, Idaho Code, be, and the same is hereby amended to read as follows:

45-1512. MONEY JUDGMENT -- ACTION SEEKING BALANCE DUE ON OBLIGATION. (1) At any time within 3 months after any sale under a deed of trust, as hereinbefore provided, a money judgment may be sought for the balance due upon the obligation for which such deed of trust was given as security, and in such action the plaintiff shall set forth in his complaint the entire amount of indebtedness which was secured by such deed of trust and the amount for which the same was sold and the fair market value at the date of sale, together with interest from such date of sale, costs of sale and attorney's fees. Before rendering judgment the court shall find the fair market value of the real property sold at the time of sale. The court may not render judgment for more than the amount by which the entire amount of indebtedness due at the time of sale exceeds the fair market value at that time, with interest from date of sale, but in no event may the judgment exceed the difference between the amount for which such property was sold and the entire amount of the indebtedness secured by the deed of trust.

(2) The provisions of subsection (1) of this section shall apply to debts, notes, bonds or other obligations that:

(a) Are secured by a deed of trust or mortgage concerning property used as a primary residence;

(b) Were created on the same day as and used as part of the same transaction as another debt, note, bond or other obligation by a deed of trust or mortgage concerning the same property; and

(c) Are owed to or were originated by the beneficiary, or an affiliate of the beneficiary, or their successors of the deed of trust or mortgage foreclosed or the subject of any sale under a deed of trust.

SECTION 2. This act shall be in full force and effect on and after July 1, 2012, and the amendments in this act shall apply only to actions filed on and after July 1, 2012, and are not intended to apply to any action filed pursuant to this section prior to that date, and are not intended to repeal or amend those provisions of the Idaho Code that apply to actions filed prior to July 1, 2012, which provisions shall continue to apply to actions filed prior to July 1, 2012.

1       SECTION 3. The provisions of this act shall be null, void and of no force  
2       and effect on and after July 1, 2015.